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6 INSIGHTS FROM THE HHS INSPECTOR GENERAL
7 ON OVERSIGHT OF UNACCOMPANIED MINORS,
8 GRANT MANAGEMENT, AND CMS
9 TUESDAY, APRIL 18, 2023
10 House of Representatives,
11 Subcommittee on Oversight and
12 Investigations,
13 Committee on Energy and Commerce,
14 Washington, D.C.

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18 The subcommittee met, pursuant to call, at 10:30 a.m.,
19 in Room 2322, Rayburn House Office Building, Hon. Morgan
20 Griffith, [chairman of the subcommittee] presiding.

21

22 Present: Representatives Griffith, Lesko, Burgess,

23 Guthrie, Duncan, Palmer, Crenshaw, Armstrong, Cammack, Cathy
24 McMorris Rodgers (ex officio); Castor, DeGette, Schakowsky,
25 Tonko, Ruiz, Petters, and Pallone (ex officio).

26

27 Staff Present: Kate Arey, Digital Director; Sarah
28 Burke, Deputy Staff Director; Laruen Eriksen, Clerk; Tara
29 Hupman, Chief Counsel; Peter Kielty, General Counsel; Chris
30 Krepich, Press Secretary; Gavin Proffitt, Professional Staff
31 Member; Alan Slobodin, Chief Investigative Counsel; John
32 Strom, Counsel; Joanne Thomas, Counsel; Austin Flack,
33 Minority Junior Professional Staff Member; Waverly Gordon,
34 Minority Deputy Staff Director and General Counsel; Tiffany
35 Guarascio, Minority Staff Director; Liz Johns, Minority GAO
36 Detailee; Will McAuliffe, Minority Chief Counsel, Oversight
37 and Investigations; Christina Parisi, Minority Professional
38 Staff Member; Harry Samuels, Minority Oversight Counsel;
39 Andrew Souvall, Minority Director of Communications, Outreach
40 and Member Services; Caroline Wood, Minority Research
41 Analyst; and C.J. Young, Minority Deputy Communications
42 Director.

43

44 *Mr. Griffith. Welcome. Today's hearing is long
45 overdue. It is my understanding that this is the first time
46 in over 20 years that the HHS Inspector General has appeared
47 before the Energy and Commerce Oversight and Investigations
48 Subcommittee.

49 This morning's subcommittee hearing is our second
50 Inspectors General hearing. As Oversight and Investigations
51 Subcommittee chair, it is my intent to have Inspectors
52 General testifying before us on a regular basis.

53 Today, we will hear from Inspector General Christi Grimm
54 on her office's ongoing oversight work and investigation
55 priorities. We will focus on three critical areas that are
56 plagued with issues and concerns that we must address moving
57 forward.

58 First, we will be examining HHS' abject failure to
59 competently manage the record number of unaccompanied minors
60 in the care of the Office of Refugee Resettlement,
61 abbreviated ORR. The HHS Inspector General's office has done
62 excellent work to shed light on this crisis.

63 Back in February, we held a hearing on the border in
64 Texas, and as I said at the time, the Biden Administration's
65 policies are the root cause of the border crisis we are

66 experiencing. This only adds to the inhumane conditions
67 experienced by unaccompanied children once they enter ORR
68 care.

69 The surge of unaccompanied children was an entirely
70 foreseeable event of President Biden's refusal to secure the
71 border. While running for office, President Biden pledged to
72 reduce deportations and end Title 42. This encouraged more
73 migrants, and the number of annual unaccompanied minors
74 crossing the border during the Biden Administration grew to
75 astronomical numbers.

76 From fiscal years 2018 through 2020, ORR averaged around
77 44,500 referrals per year. In fiscal year 2022, ORR received
78 over 128,900 referrals, almost three times the recent
79 historical average.

80 According to a report by CBS News, nearly 130,000
81 migrant children entered the U.S. government's shelter system
82 in fiscal year 2022. These numbers are staggering and a
83 direct result of the Biden Administration's open border
84 policies.

85 As the Inspector General has now documented across
86 multiple reports, somehow HHS was caught unprepared for this
87 surge, despite it being the natural result of administration

88 policies.

89 In a desperate attempt to increase capacity, ORR
90 contracted with organizations with no relevant experience in
91 safely caring for unaccompanied children. The result was
92 child neglect and abuse.

93 In an effort to quickly reduce the number of children in
94 its care, ORR prioritized fast tracking the release of
95 unaccompanied children to sponsors instead of taking the time
96 and effort to thoroughly vet sponsors.

97 The result was putting children at increased risk of
98 being trafficked and exploited. We have all seen the news
99 articles about children working full-time in slaughterhouses
100 or as roofers or other dangerous and inappropriate
101 professions.

102 In response to this crisis, HHS continues to keep the
103 assembly line of unaccompanied children moving as fast as
104 possible.

105 When whistleblowers raise concerns about children having
106 panic attacks, self-harming, or living in unsuitable
107 conditions, they are retaliated against.

108 Further, HHS denied media access to emergency intake
109 shelters.

110 The priority seems to be to keep this issue out of sight
111 rather than child welfare. It is unconscionable, and I want
112 to thank the OIG's office for their work holding HHS
113 accountable.

114 The second area of focus for our hearing is NIH grant
115 management. There is an increasing body of evidence
116 suggesting that NIH fails to conduct routine oversight of
117 grantees.

118 This failure extends to research done in foreign
119 countries involving potential pandemic pathogens, those such
120 as the now infamous grant to EcoHealth Alliance. The
121 Inspector General's audit found that NIH and EcoHealth
122 Alliance failed to effectively monitor and document the
123 activities of subgrantees, including the Wuhan Institute of
124 Virology.

125 As a result of NIH's failure to secure laboratory
126 notebooks and other records, the U.S. Government has no
127 adequate documentation of the coronavirus experiments
128 conducted in Wuhan during the fall 2019. This is important
129 because this is when COVID arose.

130 In light of these oversight failures, it is
131 incomprehensible to me that the NIH continues to fund

132 EcoHealth Alliance when they failed to secure the documents
133 required by their contracts that would have given us a better
134 picture of COVID's origins.

135 The final goal is to hear from the Inspector General
136 about their work on Medicaid and Medicare Program integrity.

137 With the Public Health Emergency now officially over,
138 returning Medicaid to its congressionally intended role as a
139 safety net insurer of last resort is critical.

140 Between fiscal year 2018 and fiscal year 2021, improper
141 payments grew by over 138 percent.

142 From reviewing the Inspector General's body of work on
143 CMS oversight, it is clear that her office takes Medicare and
144 Medicaid Program integrity seriously. What is less clear to
145 me is whether HHS and CMS are also committed to preventing
146 fraud, waste, and abuse in these programs or perhaps it is
147 like the situation with the children. They would rather keep
148 it out of sight and hopefully out of the minds of Congress.

149 Thank you for your work, Ms. Grimm, but I can assure HHS
150 that this is on the front of the minds of us in Congress who
151 have oversight over them.

152 Thank you, and I yield back.

153 [The prepared statement of Mr. Griffith follows:]

154

155 *****COMMITTEE INSERT*****

156

157 *Mr. Griffith. I now recognize the Ranking Member, Ms.
158 Castor, for her five minutes for an opening statement.

159 *Ms. Castor. Well, good morning, and thank you, Mr.
160 Chairman, and thank you especially for following through on
161 your commitment after our discussion about keeping eyes on
162 the unaccompanied children situation especially.

163 And thank you, Inspector General Grimm, for being here
164 today.

165 HHS is a vital agency with enormous responsibilities
166 that touches the lives of every American, and the agency
167 ensures the health, safety, and wellbeing of people across
168 the country.

169 We recently had the opportunity to hear from Inspectors
170 General from EPA, Department of Energy, Department of
171 Commerce about how they are overseeing the deployment of
172 funds from the bipartisan infrastructure law, the Inflation
173 Reduction Act, CHIPS and Science Act, all historic
174 legislation that is lowering cost, creating good jobs, and
175 creating healthier, more resilient communities.

176 I am very proud of our committee's leadership in
177 enacting these landmark laws, but to ensure that they reach
178 their full potential, we must remain committed to oversight.

179 That is why the Inspector General is so important.

180 There are areas of shared concern regarding HHS. In
181 particular, members on both sides of the aisle are alarmed
182 over recent reports of child labor exploitation involving
183 children who migrated to the U.S. without their parents and
184 were placed with sponsors through the Office of Refugee
185 Resettlement, ORR.

186 While the Administration has announced an interagency
187 effort to crack down on exploitative child labor and provide
188 responsive post-relief services to more children and improve
189 sponsor vetting, additional reporting as recently as
190 yesterday raises significant concerns.

191 So it is important to hear from you, Ms. Grimm, about
192 your ongoing oversight of HHS ORR. We know that long stays
193 in Federal facilities are detrimental to the health and
194 wellbeing of children.

195 But HHS must ensure that it balances the need for
196 efficient placement with the safety and high-quality services
197 for children under ORR's care.

198 On a different topic, I appreciate the lessons that have
199 been learned, thanks to the IG's work with NIH throughout the
200 pandemic. Federally funded research has led to breakthroughs

201 that help us fight deadly diseases, make advancements in
202 treatments and therapeutics, and develop lifesaving vaccines.

203 NIH funding is a critical investment in our Nation's
204 wellbeing, and I am glad that the IG and NIH are working
205 together to improve the agency's grant oversight.

206 Oversight of NIH research funding is important, and it
207 is our job to make sure that these dollars are well spent and
208 well monitored.

209 I hope we can move away from the politicization of the
210 global pandemic that killed more than 1.1 million Americans
211 to oversight and sensible policy reforms. We need to make
212 sure that our oversight efforts are focused on improving NIH
213 and the success of its grant-making work rather than limiting
214 the ability to do important work, including with global
215 partners.

216 And I am confident that we can do that without vilifying
217 individual scientists or tearing down our health
218 institutions.

219 We are also now less than a month away from another
220 milestone for our Nation and for HHS. Thanks to the
221 leadership of President Biden and congressional Democrats we
222 are on track to end the public health emergency.

223 We must ensure that our neighbors who will see a change
224 in their health coverage under the Medicaid unwinding are not
225 lost in the shuffle.

226 Democrats are taking responsibility for prioritizing
227 efforts that make the Nation's health infrastructure
228 stronger, protect and strengthen access to health care for
229 everyone, and invest in future pandemic preparedness, while
230 utilizing lessons learned over the past three years.

231 I sincerely thank your office for the important work
232 that you do to ensure integrity at HHS and prevent waste,
233 fraud, and abuse of taxpayer dollars.

234 Thank you, and I yield back.

235 [The prepared statement of Ms. Castor follows:]

236

237 *****COMMITTEE INSERT*****

238

239 *Mr. Griffith. The gentlelady yields back.

240 I now recognize the Chairman or Chairwoman of the full
241 committee, Mrs. McMorris Rodgers, for her five minutes for an
242 opening statement.

243 Madam Chair.

244 *The Chair. Thank you, Mr. Chairman.

245 And welcome to Health and Human Services, Inspector
246 General Christi Grimm.

247 This is the first time in more than 20 years that the
248 HHS Inspector General has appeared before the Oversight and
249 Investigation Subcommittee. It is long overdue, and I am
250 grateful that you are here.

251 First, your office has done important work exposing how
252 the Administration has failed to assure the safety and
253 wellbeing of unaccompanied children crossing the border.
254 This is a crisis, and as the ranking member just said, it is
255 alarming to all of us.

256 And it has been made worse by President Biden's open
257 border agenda. From 2019 to 2021, the number of
258 unaccompanied minors referred to HHS from the Department of
259 Homeland Security increased by more than 75 percent.

260 Last year nearly 130,000 migrant children entered the

261 shelter system, an all-time high.

262 It is more than just numbers. The New York Times
263 investigation has revealed that unaccompanied migrant
264 children are alone and being exploited. These are young
265 teenagers without their parents, working long shifts on
266 farms, in factories, hotels, and on construction sites.

267 According to this Times investigation, HHS case workers
268 are under pressure by the Biden Administration to quickly
269 process these children.

270 As a result, sponsors are not being vetted properly, and
271 Health and Human Services is not keeping track of these
272 children. Quote, "overall, the agency lost immediate contact
273 with a third of migrant children."

274 That is tens of thousands of kids who are at risk of
275 further exploitation, and we now know that children, people,
276 were raising the alarm at HHS, including directly to
277 Secretary Becerra.

278 HHS and the Biden White House must be held accountable
279 for how it could have possibly missed or ignored this crisis.

280 In addition, we will also focus today on how HHS is
281 spending and managing trillions of taxpayer dollars. This
282 includes how the National Institutes of Health is failing to

283 ensure proper oversight of its grants, especially in foreign
284 countries like in China.

285 We find the HHS OIG audit report about NIH's ineffective
286 monitoring of the Wuhan Lab and EcoHealth Alliance very
287 troubling, especially given the risky nature of this research
288 and its potential to start a pandemic.

289 It is unacceptable that today, because NIH failed to
290 effectively monitor the Wuhan Lab and EcoHealth Alliance,
291 that key data related to American taxpayer funded grants is
292 still under the control of the Chinese Communist Party.

293 The American people deserve answers to this and also
294 transparency if this failure to oversee grant funding is
295 pervasive across HHS.

296 Finally, we are also asking you to help us provide
297 needed oversight of the Centers for Medicare and Medicaid
298 Services, or CMS.

299 CMS has an annual budgets of more than a trillion
300 dollars and oversees or administers health coverage for
301 millions of Americans.

302 According to a CMBC report, there is more than \$100
303 billion in fraud each year in Medicare and Medicaid. One
304 criminal raked in millions from Medicare fraud, more than a

305 decade, and he told CMBC, quote, "I was low profile. Nobody
306 knew me. I had everything. I had houses. I had cars. I
307 had watches," end of quote.

308 In addition, your written testimony discusses that in
309 fiscal year 2021 alone improper payments made up for 21
310 percent of all Medicaid spending. That is one in every five
311 dollars spent improperly.

312 These numbers are staggering. Surely, we can all agree
313 that we need to ensure the integrity of the Federal health
314 programs that so many people, including seniors, people with
315 disabilities, mothers, and those most in need, rely on.

316 With the end of the public health emergency, it is
317 critical that CMS work to reduce the amount of improper
318 payments by Medicaid and Medicare, and I hope to hear how the
319 Inspector General's Office will help CMS restore the
320 financial integrity of these programs as we return to normal
321 post-pandemic life.

322 I worry not enough is being done by CMS and that the
323 Administration is reluctant to take common sense actions that
324 would reduce the instances of waste, fraud, and abuse. We
325 want to hear more about the recommendations that you have for
326 these vital programs.

327 As I said in our hearing with the Inspectors General
328 with other Federal agencies, responsible stewardship of
329 Federal funds should not be a partisan issue. As duly
330 elected members of the People's House, it is our Article 1
331 responsibility to conduct oversight so the government is
332 responsible to those we serve.

333 That is our goal today, especially for how the
334 Administration has made the border and cost-of-living crises
335 worse.

336 Again, Inspector Grimm, we are really pleased that you
337 are here and look forward to your testimony regarding some of
338 these most serious challenges.

339 I yield back.

340 [The prepared statement of the Chair follows:]

341

342 *****COMMITTEE INSERT*****

343

344 *Mr. Griffith. The gentlelady yields back.

345 I now recognize the Ranking Member of the full
346 committee, Mr. Pallone, for his five minutes.

347 *Mr. Pallone. Thank you, Mr. Chairman.

348 Today the subcommittee has a real opportunity to conduct
349 important oversight of the Department of Health and Human
350 Services, and I just hope we take advantage of this
351 opportunity to put people over politics.

352 After all, HHS' work is crucial to the everyday lives of
353 Americans. It is tasked with ensuring the health of our
354 families, the safety and development of new drugs, the
355 response to public health emergencies and pandemics, and
356 much, much more.

357 And we are joined today by HHS Inspector General Grimm,
358 whose office has the tremendous responsibility of overseeing
359 the agency's critical work, and it is this committee's
360 responsibility to ensure that HHS has the support it needs to
361 carry out its work.

362 Over the last couple of years, congressional Democrats
363 have worked to provide HHS with the funding and authorities
364 that it needed to address the pandemic and to make health
365 care more affordable and accessible for American families.

366 The American Rescue Plan provided HHS the tools and resources
367 necessary to combat the pandemic by ramping up the
368 distribution and administration of lifesaving vaccines.

369 The American Rescue Plan and the Inflation Reduction Act
370 expanded health care coverage and lowered cost to the
371 Affordable Care Act marketplaces, saving the average family
372 \$2,400 a year in premiums.

373 The Inflation Reduction Act is also lowering
374 prescription drug prices for America's seniors, and these
375 laws are making a real difference in the lives of the
376 American people, and while we are still losing far too many
377 Americans every day to COVID-19, we have come a very long way
378 thanks in large part to the hard-working public servants at
379 HHS.

380 Now, the key point of conducting congressional oversight
381 is to examine how best we can improve and support government
382 agencies to ensure they work effectively for the American
383 people. This is particularly important as the public health
384 emergency ends. Emergency programs and authorizations will
385 wind down and return to pre-pandemic operations.

386 It is critical that during this transition, this
387 committee, the IG, and the staff at HHS focus on how to

388 support States and localities, as well as families emerging
389 from the public health crisis.

390 And while we are talking about HHS oversight, I must
391 take this opportunity to say that HHS and, in particular, the
392 Food and Drug Administration, face serious threats from
393 extremist Republican-appointed judges.

394 In a case challenging FDA's decades old approval of the
395 drug mifepristone, these extreme judges are making
396 unprecedented decisions that are not grounded in science or
397 in law. The case is now sitting before the Supreme Court,
398 and on Friday, 253 members of Congress filed an amicus brief
399 seeking to protect the FDA against this unwarranted judicial
400 intrusion.

401 Two decades of science and FDA analysis have clearly
402 demonstrated that this drug is safe, and it is imperative
403 that women have access to medication abortion, as some States
404 implement increasingly draconian restrictions on women's
405 reproductive health care.

406 But this lawsuit by right-wing extremists seeks to
407 completely undermine FDA's authority to approve drugs and to
408 damage FDA's hard-earned reputation as the international gold
409 standard in drug approval.

410 Our agencies need to be the ones making the important
411 decisions based on data and science, not partisan judges, and
412 doctors must be able to prescribe safe, approved drugs to
413 their patients without the interference of lawyers.

414 These decisions attempt to undermine FDA's drug approval
415 process and restrict access to FDA-approved medication. That
416 is why all 23 committee Democrats have committed or have
417 requested an immediate hearing in this committee on the
418 unprecedented decisions threatening our health care
419 institutions.

420 Scientists are against this radical judicial
421 intervention. The pharmaceutical industry is against it.
422 Doctors are against it. And patients are against it.

423 So while I appreciate today's hearing with Inspector
424 General Grimm, the Republican Majority should immediately
425 schedule a hearing on this existential threat to FDA's drug
426 approval authority. We simply must examine the impacts of
427 these extreme decisions that place ideology, politics, and
428 judicial activism above science.

429 And with that, I yield back, Mr. Chairman.

430 [The prepared statement of Mr. Pallone follows:]

431

432 *****COMMITTEE INSERT*****

433

434 *Mr. Griffith. The gentleman yields back.

435 And it now concludes members' opening statements. The
436 chair would like to remind members that pursuant to committee
437 rules, all members' written opening statements will be made a
438 part of the record. Please provide those to the Clerk
439 promptly.

440 All right. Now, we have the opportunity to introduce
441 our witness today. We want to thank our witness for being
442 here today and taking the time to testify before the
443 subcommittee.

444 You will have the opportunity to give an opening
445 statement followed by a round of questions from members.

446 Today's witness is the Honorable Christi Grimm,
447 Inspector General for the Department of Health and Human
448 Services.

449 We appreciate you being here today and look forward to
450 hearing from you. As you are aware, this committee is
451 holding an oversight hearing, and when doing so, it has been
452 the practice of this committee to take testimony under oath.

453 Do you have any objections to testifying under oath?

454 *Ms. Grimm. I do not.

455 *Mr. Griffith. She does not.

456 Seeing no objection, we will proceed.

457 The chair also would advise you that you are entitled to
458 be advised by counsel pursuant to House rules. Do you desire
459 to be advised by counsel during your testimony today?

460 *Ms. Grimm. I do not.

461 *Mr. Griffith. And seeing no request for counsel,
462 please rise and raise your right hand.

463 [Witness sworn.]

464 *Mr. Griffith. Seeing the witness answered in the
465 affirmative, you are now sworn in and under oath, subject to
466 the penalties set forth in Title 18, Section 1001 of the
467 United States Code.

468 With that, I now recognize Inspector General Christi
469 Grimm for her five minutes to give an opening statement.

470 Ms. Grimm.

471

472 TESTIMONY OF THE HON. CHRISTI A. GRIMM, INSPECTOR GENERAL,
473 OFFICE OF INSPECTOR GENERAL, U.S. DEPARTMENT OF HEALTH AND
474 HUMAN SERVICES

475

476 *Ms. Grimm. Good morning, Chairman Griffith, Ranking
477 Member Castor, Chair McMorris Rodgers, and Ranking Member
478 Pallone, also distinguished members of the subcommittee.

479 I am Christi Grimm. I am the Inspector General for the
480 U.S. Department of Health and Human Services.

481 Our mission at HHS OIG is to prevent, detect, and combat
482 fraud, waste, and abuse. Our work helps ensure that HHS
483 programs better serve the American people and that taxpayer
484 dollars are not misspent.

485 Our portfolio is vast, and it is varied. Last year my
486 office was responsible for oversight of over 100 programs and
487 more than \$2.4 trillion in department expenditures. We have
488 only two cents for every \$100 that the department spends.

489 We conduct efficient, consequential, high-impact
490 oversight work with our limited resources, but much more
491 needs to be done to thwart fraud, identify misspent funds,
492 and protect people from harm.

493 To be candid, without more resources we will be unable

494 to keep pace with the department threats. We risk falling
495 behind and allowing HHS dollars to be diverted to fraud.

496 I will spend the next few moments briefly addressing the
497 three specific areas the subcommittee requested.

498 First, the unaccompanied children program. Ensuring
499 that children are safe is a top priority for me and my
500 office. Unfortunately, our oversight work over the past two
501 decades has raised a variety of concerns about the safety and
502 welfare of unaccompanied children in HHS' care.

503 Unaccompanied children enter the U.S. with no parent or
504 guardian to care for them. HHS is completely responsible for
505 their wellbeing until being released to an adult sponsor in
506 the U.S.

507 A recent report focusing on case management services at
508 the Fort Bliss Emergency Intake Site demonstrates the child
509 safety risks our work has uncovered. At this site we found
510 many case workers lacked experience and did not receive
511 adequate training.

512 We identified that the case management system was
513 lacking in basic capabilities, including helping to screen
514 the adults the children were to be placed with. We found the
515 streamlined process to expedite children's release from the

516 facility may have increased risk of release to unsafe adult
517 sponsors.

518 Finally, we heard from staff that they were reticent to
519 report problems for fear of retaliation. We are now
520 conducting a more comprehensive review of the process used to
521 screen potential adult sponsors.

522 Next, I will turn to grants management at NIH. We have
523 found consistent weaknesses in NIH's oversight of grant
524 recipients. These include fraud, unallowable costs, and
525 inadequate internal controls and monitoring of grants.

526 For instance, a recent audit found the NIH and its grant
527 recipient EcoHealth Alliance did not effectively monitor
528 awards and sub-awards.

529 The report also found that NIH did not exercise rigorous
530 oversight over potentially high-risk research.

531 While issues related to the type of research and science
532 may be complex, our findings involve common failures of
533 routine grant oversight, like failing to follow up on
534 progress reports.

535 Last, I will touch on oversight of FEMA. The intricacy
536 and breadth of the Medicare and Medicaid Programs make
537 oversight complex, challenging, and resource intensive for

538 CMS. We use a data-driven risk assessment approach to target
539 risks, such as inflated costs, improper or wasteful payments,
540 and poor quality of care.

541 We also deploy sophisticated data analytics and
542 technology to pinpoint and pursue costly and harmful fraud
543 schemes.

544 Yet despite extensive reviews and enforcement, our
545 limited resources do not allow us to provide comprehensive
546 oversight of Medicare and Medicaid, programs that spend \$1.6
547 trillion annually. Said simply, we lack a sufficient number
548 of law enforcement agents, auditors, evaluators, and
549 information technology specialists to detect and respond to
550 ever emerging fraud trends.

551 OIG is turning down between 300 and 400 viable criminal
552 and civil health care fraud cases annually. These
553 uninvestigated cases represent unchecked fraud and the
554 potential for patients to be put in harm's way.

555 Notwithstanding rigorous efforts by my office, by HHS,
556 and Congress, serious fraud, waste, and abuse continue to
557 grow and threaten HHS programs. If enacted, the President's
558 fiscal year 2024 requested resources for OIG would go a long
559 way toward addressing shortfalls, particularly with respect

560 to combatting fraud.

561 I thank you for the invitation to appear before you
562 today. I thank you for underscoring the importance of
563 resources for program integrity. I thank you for your
564 commitment to improving HHS programs and protecting the
565 people they serve. And I am happy to take your questions.

566 [The prepared statement of Ms. Grimm follows:]

567

568 *****COMMITTEE INSERT*****

569

570 *Mr. Griffith. Thank you. Thank you for your
571 testimony.

572 We will now move to the question-and-answer portion. I
573 will begin the questioning and recognize myself for five
574 minutes.

575 I said this in a hearing recently or in comments. The
576 opposite sides of the aisle may not agree on the policies
577 that brought these children to our border, but once they are
578 in our care and we have taken responsibility for them, I
579 think we all agree that they ought to be taken care of
580 properly.

581 They ought to be getting educated. They ought not be
582 just disbursed as the labor for construction or plants where
583 they are putting together packages of cups or vegetables,
584 whatever it might be.

585 As a background note, at one time in my life I practiced
586 in domestic relations and did child custody cases, was a
587 guardian ad litem for children, and I went to Fort Bliss in
588 2021, and I started asking questions.

589 And the answers I got were shocking. So I have been
590 raising this issue since that time, but it does not seem like
591 it has been doing any good.

592 You have done a report now and you have indicated that
593 there are some preliminary things that are happening. What
594 is HHS doing to make the vetting process of these sponsors
595 better?

596 Because when I was there, they basically were just
597 checking on the Internet to see if they had any violent
598 crimes or crimes against children on their record. They were
599 not looking into what kind of house they were going to be in,
600 what the sleeping arrangements were, what school they were
601 going to, all things which as a guardian ad litem or somebody
602 who was practicing in domestic relations would have checked
603 into for the safety of the child before I ever advised the
604 court that I thought the child should be placed in one home
605 or another home or wherever.

606 So what are they doing differently now that they were
607 not doing in 2021?

608 Because based on the press reports and your report, it
609 does not look like much has changed.

610 *Ms. Grimm. Thank you, Chairman Griffith, for your
611 question.

612 We did do a report looking at Fort Bliss. We did an
613 inspection of that site. We interviewed 66 ORR officials.

614 We made nine recommendations in that report. We are in
615 receipt of the department's response to that report.

616 If I may --

617 *Mr. Griffith. Yes, ma'am.

618 *Ms. Grimm. -- I will highlight three key areas that
619 are of utmost importance that the department, that ORR get
620 right.

621 The three themes, and these capture findings across many
622 of our reports, including Fort Bliss, include hiring,
623 screening, and retaining qualified facility employees.

624 The second has to do with robust, fully functioning
625 electronic case management system.

626 The third is communication internally and externally
627 that prioritizes children's interest and concerns about
628 potential harm to children.

629 We are in response of their response from our Fort Bliss
630 report. They are undertaking action. We consider the
631 recommendations still open until we can examine the
632 documentation.

633 If you were to ask me what the number one thing they
634 need to be working on and to do to get right, it is to
635 completely overhaul the ORR portal before the next

636 anticipated surge. It has not been functional for an
637 incredibly long time, and there have been starts and stops,
638 and they have begun again, but they need to get it right.

639 *Mr. Griffith. And when you say "portals," for the
640 folks watching back home, that is the process they use to
641 take children who have come to the border unaccompanied and
642 give them to some kind of a sponsor.

643 I would hope that they would do a better background
644 vetting because according to the latest report from the New
645 York Times, the Administration is taking the position that
646 once they have released them, they no longer have any
647 responsibility.

648 So we had better be sure we are putting them into good
649 homes before we release them because there were too many
650 reports of kids not being educated and working long hours
651 overnight.

652 You know, one child complained that he would really like
653 to learn how to read but he cannot, and he has been with the
654 sponsor now for a couple of years. It is outrageous.

655 Are they moving in that direction?

656 I know that it is not easy, but are they moving in that
657 direction based on what you have seen or is it too early to

658 tell?

659 *Ms. Grimm. You raise a number of different
660 dimensions --

661 *Mr. Griffith. I do.

662 *Ms. Grimm. -- of sponsor screening. I am going to
663 zero in on our Fort Bliss report.

664 We did find that the case managers, some of them were
665 not qualified. They did not receive training. They
666 struggled to do things like vet sponsors.

667 We found that the case management system and UC Portal,
668 that it frequently crashed. It did not allow for searches of
669 things like addresses and prior sponsors that may have had
670 children before.

671 They waived certain requirements for sponsor vetting
672 that included looking at adults that might be in the
673 household for certain categories of sponsors.

674 All of these things elevated risks.

675 *Mr. Griffith. Yes.

676 *Ms. Grimm. We had recommendations for all of this.
677 They are reporting that they are working on it. We need to
678 review documentation to be sure they are headed in --

679 *Mr. Griffith. And we will probably have another

680 hearing later this year on this same subject just to follow
681 up, at least one, maybe two more, because I think we are all
682 very concerned about it.

683 And I think we have got to do better because what we are
684 doing is we are creating a subclass out of these
685 unaccompanied children who can be exploited, and that is not
686 appropriate. That is not what this was set up to do, and I
687 do not think anybody on either side of the aisle is in favor
688 of that.

689 That being said, I have used up my time. I yield back
690 and now recognize Ms. Castor, the ranking member, for her
691 five minutes of questioning.

692 *Ms. Castor. Well, thank you, Mr. Chairman.

693 And I would wholeheartedly agree that we need to have a
694 follow-up oversight hearing on this topic.

695 And thank you, Ms. Grimm, for your attention and
696 recommendations to keeping unaccompanied children safe.
697 These reports are alarming and disturbing, and we have got to
698 help you, help the agency repair so children are kept safe.

699 I have a basic question for you. When does the Office
700 of Refugee Resettlement responsibility begin and where does
701 it end when it comes to the wellbeing of the unaccompanied

702 children?

703 *Ms. Grimm. Typically, when the Department of Homeland
704 Security moves a child that is considered unaccompanied into
705 the ORR Program and they are asked to do that at DHS within
706 72 hours, they then become where they are in the custody of
707 HHS.

708 Typically, they would go into a facility, be vetted for
709 a sponsor. When they are placed with a sponsor, it is the
710 department's interpretation of existing legislation that when
711 they are transferred to a sponsor, legally their jurisdiction
712 does end.

713 However, we have recommended they have committed to do
714 welfare checks, but it is their legal read that their custody
715 ends when they are transferred to an adult sponsor here in
716 the U.S.

717 *Ms. Castor. I see. Because there just seems to be an
718 overarching responsibility to ensure that those children are,
719 first and foremost, getting to school and are being kept
720 safe.

721 So you are saying that HHS, now they are instituting
722 some of your recommendations for case management in those
723 welfare checks, but is there something additional in the law

724 where we need to spell out succinctly a requirement for those
725 ongoing welfare checks?

726 At that point is it a State responsibility under the
727 State child welfare laws?

728 *Ms. Grimm. So I know that Secretary Becerra recently
729 testified on this and testified on the jurisdiction. We do
730 not get in the middle of that interpretation of legal
731 jurisdiction.

732 I want to clarify something that I said. There are
733 certain circumstances for certain children where the
734 department does work to connect them with certain social
735 services, medical services. So there is a certain category
736 of children. I do not know all of the specifics about that.

737 *Ms. Castor. Okay. I understand that you are, in
738 addition to your ongoing analysis here, you have an ongoing
739 study --

740 *Ms. Grimm. Yes.

741 *Mr. Griffith. -- underway. When can we expect your
742 latest recommendations to be released?

743 *Ms. Grimm. Representative Castor, we have several
744 ongoing studies. The study that I believe you are most
745 interested in has to do with the vetting of sponsors.

746 *Ms. Castor. Yes.

747 *Ms. Grimm. We have completed data collection. We are
748 developing the findings.

749 I would expect that report to be in draft within the
750 next couple of months.

751 *Ms. Castor. Okay. And I heard you loud and clear.
752 The most critical piece right now to ensure the appropriate
753 vetting of sponsors is the overhaul of the ORR Portal. And
754 does HHS have adequate funding right now and contractors to
755 make that happen?

756 *Ms. Grimm. The question on whether they have adequate
757 funding, I do think that is a better question for ORR to
758 respond to.

759 As far as why it matters, it is the case management
760 system ORR uses to oversee the wellbeing and safety of
761 children while they are in care. It is the tool ORR uses to
762 ensure adequate sponsor screening to ensure children are not
763 placed with labor or sex trafficking situations.

764 It is what they use to track separated children so they
765 can be reunited with parents when appropriate. It is where
766 they monitor incidents of potential physical or sexual abuse
767 while in HHS custody.

768 And all of our experience as an OIG teaches us that you
769 need effective data systems to conduct meaningful oversight.
770 They have responded to us that they have taken, I believe, 70
771 specific actions for the UC Portal.

772 I will be candid. We have been here before. And I
773 think the proof will be in the eating of the pudding. We
774 have to see whether those outputs translate into better
775 functionality for the system, better functionality for case
776 managers to vet sponsors.

777 *Ms. Castor. Thank you. And we are committed to that
778 as well.

779 Thank you very much. I yield back.

780 *Mr. Griffith. The gentlelady yields back.

781 I now recognize the chair of the full committee, Mrs.
782 McMorris Rodgers, for her five minutes of questioning.

783 *The Chair. Thank you, Mr. Chairman.

784 Today's New York Times has an article, "Migrant Children
785 Worked as U.S. Ignored Warnings. Whistleblowers say White
786 House officials were alerted about risk to minors.''

787 Without objection, I would like to have this article
788 inserted into the record.

789 *Mr. Griffith. Madam Chair, is that the article where

790 Matt Haygood, Senior Director of Children Services of the
791 U.S. Committee for Refugees and Immigrants, asked the
792 question, "We are waiting for the congressional hearing. It
793 is like how did this happen to all these kids''?

794 *The Chair. Yes. Yes, Mr. Chairman.

795 *Mr. Griffith. All right. Without objection, tender
796 into the record.

797 [The information follows:]

798

799 *****COMMITTEE INSERT*****

800

801 *The Chair. Thank you.

802 It is a deeply disturbing investigative piece on child
803 exploitation. It details how the Administration ignored
804 multiple whistleblowers who raised concerns about the
805 loosening of restrictions on who HHS would release these
806 unaccompanied minor children to.

807 The whistleblowers saw that the children were being
808 exploited and raised concerns to their superiors who, in
809 turn, raised it up the chain all the way to the White House.

810 However, the White House denies any knowledge, and I
811 quote. "Andrew J. Bates, White House Deputy Press Secretary,
812 said, 'Officials there had no known of the increase in child
813 labor until the Times' February report','' end of quote.

814 Mr. Grimm, your office conducted in-depth and rigorous
815 investigations into the Trump White House's involvement in
816 ORR's unaccompanied children program.

817 Is the White House telling the truth about when it knew
818 there was a rise in child exploitation as a result of ORR's
819 decision to cut short sponsors' background checks?

820 *Ms. Grimm. Chairwoman Rodgers, I cannot speak to what
821 the White House knew and when.

822 *The Chair. Ms. Grimm, will you commit to conducting a

823 full investigation to determine when HHS notified the White
824 House and how it did so?

825 *Ms. Grimm. As part of our review of potential risks
826 with sponsor placements, we typically do review
827 correspondence. I will tell you that some of that
828 information would be protected by privilege.

829 But we are reviewing sponsor placement, and we hope that
830 that report can be illuminating and I am familiar with the
831 New York Times' report from yesterday.

832 *The Chair. I look forward to your work and that
833 report.

834 Medicaid has faced persistent challenges related to
835 improper payments and enrollment concerns. As you know,
836 ensuring integrity of this program requires effective
837 eligibility verification processes and robust collaboration
838 between your office and States.

839 And I would like to focus on issues related to verifying
840 eligibility for Medicaid. One issue that your office has
841 frequently written about is the prevalence of States paying
842 per member per month to Medicaid managed care organizations
843 for deceased beneficiaries.

844 In simple terms, dead people are continuing to

845 participate in Medicaid at taxpayer expense. I hope I am on
846 safe, bipartisan footing when I say that we should not be
847 paying for care of those who have already passed.

848 And your office seems to agree that we have, as we have
849 sought to recoup payments for these claims.

850 Can you speak to what CMS and the States could be doing
851 to mitigate these issues?

852 *Ms. Grimm. I can. I think in your opening statement,
853 Chairwoman Rodgers, you had pointed to practical
854 recommendations, practical things that CMS can be doing.

855 Our portfolio of CMS oversight is vast and varied. We
856 have recommendations that are cost savers. We have
857 recommendations related to patient harm. We have
858 recommendations related to improper payments.

859 Is there a specific category you would like me to zero
860 in on?

861 *The Chair. Yes. Well, I would like to ask would it be
862 appropriate to advise States to regularly check databases,
863 like the Death Master File, DMF, to ensure States are not
864 paying for deceased beneficiaries?

865 *Ms. Grimm. Yes.

866 *The Chair. Okay. And will your office commit to

867 reviewing current CMS practices and policies for interacting
868 with States on eligibility determination systems, as well as
869 identifying any areas for improvement and enhancement?

870 *Ms. Grimm. As part of the public health emergency
871 unwinding, we are doing work where we are looking at Medicaid
872 eligibility, where we are looking at errors, and I would need
873 to look to see if that is already a part of that.

874 But your requests sound very reasonable, Madam
875 Chairwoman.

876 *The Chair. Thank you.

877 The OIG audit of EcoHealth Alliance grant found NIH did
878 not comply with the requirement to contact EcoHealth within
879 30 days of the nonprofit's failure to file its year five
880 progress report.

881 Who at NIH was specifically responsible for this follow-
882 up?

883 And what was the breakdown that led to NIH
884 noncompliance?

885 *Ms. Grimm. So I want to be very clear about what our
886 EcoHealth report did and did not do. The objectives of that
887 report were to look at NIH's adherence of our requirements
888 for grant oversight and for EcoHealth adherence to Federal

889 requirements.

890 At the outset I want to be clear. We did not look at
891 things like gain of function or the origins of COVID. I just
892 want to be clear about that.

893 *The Chair. Okay.

894 *Ms. Grimm. So who was responsible?

895 *The Chair. Yes.

896 *Ms. Grimm. NIH had responsibilities for monitoring
897 EcoHealth. EcoHealth had responsibilities for monitoring the
898 Wuhan Institute Of Virology and other --

899 *The Chair. Well, who specifically at NIH is
900 responsible for this follow-up?

901 *Ms. Grimm. I don't have at my fingertips the exact
902 title of the person that would be responsible for follow-up
903 on --

904 *The Chair. Okay. I want to ask you to get back with
905 the committee on that answer because we need to be looking
906 for personal accountability and an understanding of what
907 broke down so we can take the corrective action necessary.

908 I yield back, Mr. Chairman.

909 *Mr. Griffith. I thank the gentlelady.

910 I now recognize the ranking member of the full

911 committee, Mr. Pallone, for his five minutes of questioning.

912 *Mr. Pallone. Thank you, Mr. Chairman.

913 As you highlight in your testimony, the public health
914 emergency due to COVID-19 will be ending next month,
915 resulting in a great deal of change across the health
916 landscape. You particularly noted that there are, quote,
917 "risks associated with the termination of waivers and
918 flexibilities that were permitted under the public health
919 emergency.''

920 And I share your concern and want to make sure that HHS
921 and its partners are responsibly making this transition
922 without Americans in need of health care falling through the
923 cracks.

924 So my question is could you speak a little more about
925 what particular risk you see with the unwinding of the public
926 health emergency and how your office is preparing to assess
927 those risks.

928 *Ms. Grimm. So one of the key focuses, Representative,
929 that we are looking at is Medicaid and Medicaid eligibility.
930 We have reason to be concerned about this. As pointed out,
931 last year the error rate for Medicaid was over 21 percent.
932 We have a rolling three-year average of 15 percent in errors.

933 Our historic work has found issues particularly as it
934 relates to eligibility. So we are interested in taking a
935 look in the PHE unwinding, the process for determining
936 whether enrollees continue to be eligible or not, the
937 accuracy that those who should have benefits do not lose them
938 and those that should not have benefits are not enrolled.

939 *Mr. Pallone. All right. Thank you.

940 Now, it is important that your office be adequately
941 resourced to conduct oversight. As your testimony notes,
942 President Biden's budget seeks an increase of \$52.5 million
943 for your office next year.

944 So if your office were appropriated those additional
945 resources, where would you focus on enhancing your oversight
946 capabilities?

947 *Ms. Grimm. We would absolutely be starting with
948 investigations. We, as I mentioned, are turning down between
949 three and 400 cases a year. The budget, if approved,
950 implemented, would allow us to hire more agents to address
951 some of that case backload.

952 *Mr. Pallone. Okay. Now, you mentioned, of course,
953 that rooting out health care fraud is essential to ensuring
954 that appropriated dollars are spent where they are actually

955 needed.

956 And you state in your testimony that due to a lack of
957 resources, you, quote, "turned down 684 CMS cases for
958 investigation."

959 So can you describe the impact on the health care system
960 when you are not adequately resourced to investigate fraud?

961 *Ms. Grimm. So those are significant cases that CMS
962 refers over to us. We work closely with CMS, the Center for
963 Program Integrity, and I will note that we have a very
964 positive working relationship.

965 So what that means is that there is unchecked fraud. We
966 triage. I want to assure you that we are not letting, in our
967 assessment, the highest risk of those that present the most
968 harm or the most exposure to payment and people go
969 unaddressed, but we are not able to get to certain very
970 important cases because of lack of resources.

971 *Mr. Pallone. Okay. Now, my last question. You also
972 state in your testimony that your fraud investigations can,
973 quote, "return stolen money to the American people." Do you
974 have an estimate of how much money your fraud investigations
975 have recovered in prior years?

976 *Ms. Grimm. I do, if I could just turn to --

977 *Mr. Pallone. Take your time.

978 *Ms. Grimm. So combined expected recoveries for our
979 audits and our investigations last year were \$4 billion. The
980 return on investment for expected recoveries is 11 to one,
981 and that every one dollar invested in us we return or we
982 expect to return \$11 to taxpayers to the Trust Fund.

983 *Mr. Pallone. Well, that is very impressive.

984 So thank you, and thank you for the important work to
985 uphold the financial integrity of the programs that I think
986 are really central to long-term health and wellbeing of all
987 Americans.

988 Thank you, Mr. Chairman. I yield back.

989 *Mr. Griffith. The gentleman yields back.

990 I now recognize Dr. Burgess of Texas for his five
991 minutes of questioning.

992 *Mr. Burgess. I thank the chairman.

993 And historically I do want to point out how this
994 subcommittee really has affected a lot of the positive
995 changes that have occurred at ORR, going back to 2014. The
996 oversight of this subcommittee has been important. It is
997 important that it be ongoing.

998 Like Chairman Griffith, I am concerned the ability to

999 release a child to someone who has not been properly checked
1000 is of great concern.

1001 I adopted a child at one point, and the scrutiny that I
1002 was put under as an adoptive parent I will admit at times
1003 felt intrusive, but at the same time you realize you are
1004 placing a vulnerable individual with the care of a family.

1005 And then Chairwoman Rodgers already put it in the
1006 record, but this New York Times article dated yesterday is
1007 one of the most searing and unfortunate recitations that I
1008 have ever seen.

1009 So I guess it just begs the question. Well, you have
1010 got in your written testimony and you mentioned a report
1011 entitled "Operational Challenges within ORR and the ORR
1012 Emergency Intake at Fort Bliss.'" And I appreciate you
1013 including that reference.

1014 I pulled that, and it is apparent from that report that
1015 there were some changes in the guidance, the field guidance
1016 that occurred. Can you tell us a little bit about that, why
1017 that was necessary?

1018 *Ms. Grimm. I thank you, Representative Burgess, Dr.
1019 Burgess, and I do remember coming up to talk to you at one
1020 point about unaccompanied children.

1021 The changes to the screening, there were reduced
1022 safeguards. They removed background checks and identity
1023 verification.

1024 So let me just back up. This was during the height of
1025 the surge in 2021 for the emergency intake facility at Fort
1026 Bliss. This guidance did apply more broadly though.

1027 They removed background checks and verification for
1028 other adult household members and alternative --

1029 *Mr. Burgess. And let me just stop you there because
1030 that is my concern.

1031 *Ms. Grimm. Yes.

1032 *Mr. Burgess. I mean, who has the authority? Is it the
1033 agency?

1034 Are you required to follow law as passed by Congress or
1035 can the Secretary or someone just decide, hey, this is too
1036 much trouble; we want to do things differently?

1037 I kind of knew this was happening, but like the
1038 Chairman, I went to Fort Bliss in 2021. I went again in
1039 2022, where we saw on the television the numbers were vastly
1040 increasing.

1041 Their length of stays was decreasing, and the number of
1042 occupants were decreasing. That told me you are sending kids

1043 out there and you do not know where they are going or who
1044 they are going to.

1045 Was I wrong about that?

1046 *Ms. Grimm. Are you asking if the sponsor screening was
1047 not adequate?

1048 I want to make sure I understand the question.

1049 *Mr. Burgess. Well, I think I know that it was not, but
1050 I guess the big question is who had the authority.

1051 Page 15 of your report where ORR issued field guidance
1052 that removed certain steps of the sponsor screening process
1053 across ORR facilities, potentially increasing children's risk
1054 of release to unsafe sponsors.

1055 No kidding. It really did. So who makes that decision?

1056 *Ms. Grimm. That would be HHS would have the ability to
1057 make the decision to issue guidance. This was field guidance
1058 issued by HHS, by ACF, by ORR.

1059 *Mr. Burgess. But when you start to connect the dots
1060 and you read the New York Times article, it sounds like the
1061 domestic policy advisor, Susan Rice, in the White House was
1062 kind of putting some pressure to let's get the throughput.

1063 And Secretary Becerra himself was quoted in a previous
1064 New York Times article as saying, you know, if Henry Ford was

1065 running this, we would get these kids through a lot faster.

1066 But that is not the correct way to do things, and we all

1067 recognize that. That is why there are rules in place.

1068 I guess my question is who thought that it was okay to

1069 change the rules without consulting the legislative branch.

1070 *Ms. Grimm. I want to underscore the role of an

1071 Inspector General. We are independent. We are objective. We

1072 strive for transparency and accountability. We do not make

1073 the rules. We assess programs according to the rules that

1074 exist.

1075 In our Fort Bliss report, we do point out that those

1076 waived requirements in combination with a variety of other

1077 factors increased the risk that children could go to an

1078 unsafe sponsor. We recognize the need for efficient and

1079 expeditious transition to a sponsor, but it needs to be done

1080 safely.

1081 *Mr. Burgess. Yes, it does need to be done safely.

1082 Ultimately the decision was made by the executive. People do

1083 need to hold the White House accountable on this. It is

1084 shameful. It should never have occurred.

1085 Mr. Chairman, I have got a bunch of other questions. I

1086 will submit them for the record, but I do want to thank you

1087 for holding this hearing today, and I just support your
1088 statement that you are going to hold additional hearings
1089 here.

1090 *Mr. Griffith. I thank the gentleman. He yields back.

1091 I now recognize the gentlelady from Colorado, Ms.

1092 DeGette.

1093 *Ms. DeGette. Thank you so much, Mr. Chairman.

1094 And I agree with Mr. Burgess because this committee has
1095 had a long history of conducting bipartisan oversight of the
1096 Office of Refugee Resettlement. Because these kids are so
1097 vulnerable, and it is really important that we get this
1098 right.

1099 We had a long series of investigations. There was a
1100 hearing in 2021 that I chaired with the Administration
1101 looking at the progress that the Biden Administration made in
1102 reuniting the thousands of separated children that were
1103 actually not unaccompanied. Well, I guess they were
1104 unaccompanied. They showed up.

1105 No, they were with their families. They were ripped
1106 apart under the Trump Administration policies, under the
1107 family separation policies, and so this hearing we had in
1108 2021 was about what was going on with reuniting those kids

1109 with their families.

1110 And I just want to, Inspector General Grimm, I want to
1111 ask you about the current issues, but I always ask for a
1112 status update of that because a lot of members of Congress
1113 are shocked to learn there are still many children who were
1114 taken apart from their families who have never been reunited.

1115 So I am wondering if you know how many children who were
1116 separated under that program still have not been reunited
1117 with their families.

1118 *Ms. Grimm. Thank you, Representative DeGette. I do
1119 not have the precise figure of reunited. I do want to point
1120 out that one of our reports in the early days identified
1121 children who had been separated from their parents, were not
1122 categorized as being separated in the HHS system.

1123 Our report led to the identification of over 2,000
1124 children who were then meant to be reunited with their
1125 parents.

1126 I can look into that figure and get back to you with
1127 that.

1128 *Ms. DeGette. I would love that, and I do want to thank
1129 you because that was the OIG that helped that happen. But my
1130 understanding is there are still hundreds of kids who were

1131 not reunited with their parents.

1132 And, of course, as time goes on, it gets more and more
1133 difficult. Their parents have returned to the home countries
1134 or whatever it is.

1135 So I would appreciate getting that information because I
1136 think it is important that we continue to keep eyes on that
1137 issue to make sure that it is still continuing to happen.

1138 And to that point, you know, one of the issues, and I
1139 think you have alluded to this, because OIG has produced 27
1140 reports on ORR in the last six years highlighting the
1141 challenges and risks caring for, quote, "fluctuating numbers
1142 of children entering ORR's care."

1143 And that is part of the problem, which is you might have
1144 a huge surge in kids showing up unaccompanied, and then it
1145 might plummet down. So how you implement and administer
1146 consistent policies, I think, has been a challenge.

1147 So I want to ask you. How many of the recommendations
1148 that you all have made has ORR implemented fully or partially
1149 and how many remain still open?

1150 *Ms. Grimm. Thank you for your question, Representative
1151 DeGette.

1152 We have 57 open recommendations. I believe I do not

1153 have the count of recommendations that have been implemented.

1154 I do not want to give you wrong --

1155 *Ms. DeGette. If you could supplement also with that,
1156 that would be really helpful.

1157 And what progress would you say HHS has made in
1158 improving the ability to provide for the, quote, medical and
1159 mental health needs of children in ORR care that you
1160 mentioned in your testimony?

1161 *Ms. Grimm. There have been strides that have been made
1162 in connecting children with appropriate mental health
1163 services both when they are within the custody of ORR and, I
1164 believe, in ensuring that they are connected with those
1165 services post-relief.

1166 *Ms. DeGette. So would it be your assessment that part
1167 of the problem is a lack of resources that hinder ORR's
1168 ability to care for the minors in its custody, particularly
1169 during these surges?

1170 *Ms. Grimm. I cannot comment on the adequacy of
1171 resources that ORR has. I do know that we have recommended
1172 that this program be treated like an emergency with ups and
1173 downs in transfers and census. But I cannot comment on the
1174 adequacy of the resources they have.

1175 I do believe that is a better question for the
1176 department.

1177 *Ms. DeGette. Why can you not comment on the adequacy
1178 of the resources?

1179 *Ms. Grimm. I do not have those figures in front of me.
1180 I have not done any cost-benefit analysis.

1181 *Ms. DeGette. So we would need to ask someone from the
1182 agency?

1183 *Ms. Grimm. Yes.

1184 *Ms. DeGette. Okay. Thank you. We will.
1185 Okay. Thank you. I yield back.

1186 *Mr. Griffith. The gentlelady yields back.
1187 I now recognize the gentleman from Kentucky, Mr.
1188 Guthrie, for his five minutes of questions.

1189 *Mr. Guthrie. I thank the chair for the recognition.
1190 And I thank the witness for being here with us today.
1191 And I want to associate myself with the thoughts that
1192 have been expressed by my previous two members and actually
1193 with Dr. Burgess.

1194 We did go to the ORR facility, Fort Bliss, and it is
1195 bipartisan. We want everybody to be treated with respect.
1196 I will just point out the issue that seems to be

1197 happening to the children is, according to the Border Patrols
1198 is what happened for the cartels is they come up through
1199 Northern Mexico, and that is not the purpose of this hearing,
1200 but we cannot talk about what happens to our children without
1201 mentioning the atrocious thing about the border policy.

1202 What is atrociously happening to them is our border
1203 policy, is attracting migrants to the border, is happening to
1204 our children, and it is sad. It really is upsetting.

1205 But I know this is a subject for a hearing with
1206 different reports on different subjects. I am going to
1207 change the subject, but I do want to associate with that
1208 before I do so.

1209 On your June 2020 report for the FDA inspection process,
1210 and I will quote from the report. It says, "According to
1211 FDA, the investigators' supervisors are responsible for
1212 ensuring that the investigators are qualified to conduct
1213 inspections. FDA did not have written policies or procedures
1214 that require the supervisor to verify that investigators that
1215 were assigned met the right training.'"

1216 I will get to the question. Are there currently
1217 policies in place at FDA to ensure supervisors are aware and
1218 notify their lead investigators about these important

1219 training requirements?

1220 And why did they not exist prior to your investigation?

1221 *Ms. Grimm. Thank you for your question, Representative
1222 Guthrie. I do not have the specifics of that FDA inspection
1223 report in front of me.

1224 I would like to get back to you if I could with more
1225 information in response to your question.

1226 *Mr. Guthrie. Okay. So we will go to warning letters.
1227 We will move to warning letters.

1228 It says, "The warning letters are issued to achieve
1229 voluntary compliance. Warning letters are issued only for
1230 those violations that may lead to enforcement actions.'"

1231 So after FDA's programmatic changes, FDA conducted nine
1232 foreign for-cause drug inspections that resulted in warning
1233 letters. Three of the nine letters, 33 percent, were issued
1234 more than six months after the inspection date.

1235 Were these facilities in the United States or within
1236 foreign countries like China?

1237 *Ms. Grimm. Representative Guthrie, I do not have that
1238 report in front of me. I apologize. I cannot speak to it
1239 further for that report.

1240 *Mr. Guthrie. Okay. And so I have some other questions

1241 on that report. I guess I have to submit them for the
1242 record.

1243 So I do not know if you have this one or not. So your
1244 report notes that the FDA made programmatic changes, follow-
1245 up inspections at six OAI facilities that took an average of
1246 460 days versus the average of 329 -- at 11 OAI facilities.

1247 So you do not have that report in front of you either?

1248 *Ms. Grimm. I do not have that report in front of me.
1249 I apologize.

1250 *Mr. Guthrie. I thought that was part of the hearing
1251 today. I guess not.

1252 So I guess the question that gets back to the ORR, so
1253 the waivers that sped up that could have come from some of
1254 the sources that my friend -- so they put waivers to process
1255 more children through the system.

1256 But those waivers resulted in some of the children
1257 getting to what we reported with slave labor and other types
1258 of issues moving forward; is that not correct?

1259 If it was not for the waivers, that might not have
1260 happened?

1261 *Ms. Grimm. The report on Fort Bliss, and I have been
1262 down to the border. I have visited multiple facilities over

1263 many years, and so I have seen firsthand what facilities are
1264 like.

1265 That report for Fort Bliss, it raises questions about
1266 the risk, the increased risk by these waived sponsor
1267 requirements and vetting processes. It does not reach a
1268 conclusion about whether any children were placed in unsafe
1269 households.

1270 We have an ongoing report that is looking at sponsor
1271 placement, and as I explained earlier, that report, I hope
1272 that that will be out in the next few months.

1273 *Mr. Guthrie. So we do know children were placed in bad
1274 situations from ORR. We know that because we see the results
1275 of that happen.

1276 And so your report that you are working on is trying to
1277 see specifically what contributed them to being put in the
1278 situation where they were used for labor?

1279 *Ms. Grimm. That report is looking more specifically at
1280 sponsor placement, at what requirements existed, whether
1281 those requirements were followed, and hopefully we will have
1282 some illuminating information on the results of some of those
1283 placements.

1284 *Mr. Guthrie. But the requirements to look at, as Dr.

1285 Burgess said, is that their family members or someone, but
1286 not necessarily whether they have the right home, the right
1287 place, the right environment.

1288 I mean, you could find an uncle or an aunt that may not
1289 be the best person for that person to live with even though
1290 they are blood related, correct?

1291 *Ms. Grimm. Correct, and that they could be placed with
1292 a family member.

1293 *Mr. Guthrie. That is not the best circumstances, and
1294 we do not check those. Sometimes you can do everything. You
1295 can check everything you can check, and some people just do
1296 not show up being not in the best situation.

1297 But if you do not check the situation, you obviously can
1298 put them in a bad situation.

1299 *Ms. Grimm. One of the waived requirements was waiving
1300 looking at certain categories of sponsors and the adults that
1301 lived in the household with those sponsors. That is
1302 something that we identified as an increased risk for a child
1303 being placed with an unsafe sponsor and an increased risk for
1304 trafficking issues.

1305 *Mr. Guthrie. Thank you. My time has expired.

1306 I will yield back.

1307 Thank you for your answers.

1308 *Mr. Griffith. The gentleman yields back.

1309 I now recognize the gentleman from New York, Mr. Tonko,
1310 for five minutes.

1311 *Mr. Tonko. Thank you, Mr. Chair.

1312 Federal health agencies are on the front lines when it
1313 comes to public health crises like that of the COVID-19
1314 pandemic. They provide crucial guidance and resources, and
1315 maintaining public trust in health agencies is essential, I
1316 believe, to protecting public health.

1317 President Biden and congressional Democrats have
1318 consistently acted to provide adequate resources for pandemic
1319 recovery and bolster government capacity to respond to
1320 emerging public health threats.

1321 The American Rescue Plan made critical investments in
1322 public health measures that provided necessary tools that
1323 would be able to enable us to combat the pandemic.

1324 And the Inflation Reduction Act will help us make real
1325 progress in the fight against climate change and deliver
1326 savings on energy and health care costs for our families
1327 across the country.

1328 These laws also have included provisions to make certain

1329 new programs which serve their missions while protecting
1330 against waste, fraud, and abuse. What is troubling is
1331 hearing some of our Republican colleagues sow confusion and
1332 fear that fosters distrust in science and scientific
1333 research. This is counterproductive to the work that we must
1334 do to learn from the past and prepare for future disease
1335 outbreaks.

1336 With that, Ms. Grimm, your office is partly responsible
1337 for making certain that HHS is spending its resources as
1338 Congress intended and implementing programs effectively. How
1339 does your office's oversight work help increase Americans'
1340 confidence in the services upon which they rely?

1341 *Ms. Grimm. Well, specific to grants, OIG's review of
1342 NIH's EcoHealth report and OIG's grants' oversight work
1343 generally is taking a look at whether or not appropriate
1344 controls exist, expenditures are appropriate, whether
1345 controls like reviewing reports are followed.

1346 Getting those basics right is critically important and
1347 better ensure that funds that are spent through grants for
1348 intramural research, that Americans get the benefit of what
1349 those research grants are intended to do.

1350 *Mr. Tonko. Is that information exchanged with the

1351 public?

1352 *Ms. Grimm. I'm sorry, Representative Tonko. Is what
1353 information?

1354 *Mr. Tonko. The quality parameters that you establish
1355 to make certain that the dollars are being effectively
1356 invested.

1357 Does that get exchanged in building that public
1358 confidence?

1359 *Ms. Grimm. I believe that information related to grant
1360 expenditures is public. HHS grants in 2022 amounted to \$120
1361 billion in grants. Out of NIH, \$30 billion were spent on
1362 grants.

1363 Our work really focuses in on things like grant fraud,
1364 unallowable costs, threats to research integrity, and poor
1365 controls in monitoring, and some of these things, while they
1366 sound bureaucratic, are precisely the kinds of things we
1367 looked at in the EcoHealth report and found shortcomings that
1368 were very concerning related to high-risk research.

1369 If basic things like reviewing reports, if basic things
1370 like following up on late reports were done, we would have
1371 had better confidence in the kind of research that was being
1372 done.

1373 *Mr. Tonko. And as you mentioned in your testimony, we
1374 will soon be in a new phase of recovering from the COVID-19
1375 pandemic as the public health emergency comes to an end.
1376 Based on the work that your office has done, can you
1377 summarize some of the most important lessons learned that
1378 could help Congress and HHS prepare for future pandemics?

1379 *Ms. Grimm. I can. Because this hearing was very wide
1380 ranging, I have a lot of material in front of me.

1381 But there are a lot of things that we have learned from
1382 pandemic spending. There are four lessons that I would zero
1383 in on.

1384 When funds are rushed out to address emergency needs, it
1385 may mean that more needs to be done after the fact to recover
1386 misspent funds and build in additional controls as soon as
1387 possible if that program is ongoing.

1388 For instance, HRSA that administered the Provider Relief
1389 Funds stood up a program very quickly, and we have
1390 recommended now that they go back and that they do more to
1391 look at payments to see if they were appropriate.

1392 They are only looking at two percent, which is something
1393 they decided to do deliberately to get money out the door.
1394 Even in emergencies, it is important to begin as many program

1395 integrity safeguards as possible.

1396 Inspectors General can and have provided technical
1397 assistance and insights based on past work for the American
1398 Rescue Program and for other programs.

1399 Broad, government-wide approach is useful. So the
1400 Pandemic Response Accountability Committee, we know that if
1401 somebody is taking advantage of idle funds, paycheck
1402 protection funds, they are also likely taking advantage, and
1403 we have seen this, of provider relief funds as well.

1404 And improved data analytics. We need to do a better job
1405 of ensuring that data exists and is exchanged across
1406 partnerships so that we can more readily and rapidly detect
1407 and respond to improper payments and fraud.

1408 *Mr. Tonko. Mr. Chair, I had other questions that I
1409 will get to the committee and subcommittee, and with that I
1410 yield back.

1411 *Mr. Griffith. I thank the gentleman.

1412 I now recognize the gentleman from South Carolina, Mr.
1413 Duncan, for his five minutes of questions.

1414 *Mr. Duncan. Thank you, Mr. Chairman.

1415 Inspector General, you all are busy.

1416 *Ms. Grimm. Yes.

1417 *Mr. Duncan. You have got a lot of work to do.

1418 I am going to submit for the record. There are five

1419 requests from the Protect Public's Trust for request for

1420 investigation on a number of things, and I would love for the

1421 IG's Office to respond on how those are progressing and

1422 whether they are even being addressed.

1423 Last month CBS News reported about suspected double

1424 billing concerns within the EcoHealth Alliance, an NIH

1425 grantee, related to its grant from the U.S. Agency for

1426 International Development, USAID. According to this report,

1427 it appears the USAID OIG had opened an investigation.

1428 Has your Investigations Office reached out to USAID IG

1429 Office on this matter?

1430 *Ms. Grimm. I cannot comment, Representative, on any

1431 ongoing investigations. We are aware of --

1432 *Mr. Duncan. Are you all also looking into it?

1433 *Ms. Grimm. -- we are in contact with USAID.

1434 *Mr. Duncan. You all are also looking into it as well?

1435 *Ms. Grimm. We are aware and we are in contact with

1436 USAID.

1437 *Mr. Duncan. So in addition, USAID, you are just

1438 letting them run with it and you are not. You do not have

1439 your ongoing investigation then?

1440 *Ms. Grimm. I am not in a position to confirm or deny
1441 the existence of an ongoing investigation, Representative.

1442 *Mr. Duncan. Thank you.

1443 According to NIH documents obtained by U.S. Right to
1444 Know under the Freedom of Information Act, the OIG concluded
1445 its investigation into EcoHealth Alliance in January of 2021,
1446 about four months after it was opened, a four-month
1447 investigation.

1448 Just for my understanding, is this investigation the
1449 same as the audit you recently conducted or are they two
1450 separate efforts?

1451 *Ms. Grimm. Representative, I will bring you through a
1452 process that our organization has. When something is
1453 referred to us, we have our executives that consist of our
1454 Deputy for Investigation's evaluation on it. We meet weekly
1455 to discuss certain referrals and decide where the best
1456 placement is for some of these allegations.

1457 The decision was made to do a grants oversight review of
1458 EcoHealth, and I think that we have found very important gaps
1459 in grants management.

1460 I would not characterize an investigation with --

1461 *Mr. Duncan. So let me ask you this. If your
1462 investigation ended in January of 2021, why did you not issue
1463 the audit findings until this January 2023?
1464 *Ms. Grimm. I would not characterize or I would not
1465 agree with that characterization.
1466 *Mr. Duncan. Two years?
1467 *Ms. Grimm. I would not agree with that
1468 characterization, Representative. We decided the --
1469 *Mr. Duncan. The dates do not lie, ma'am.
1470 *Ms. Grimm. I am sorry?
1471 *Mr. Duncan. The dates do not lie. You ended your
1472 investigation January of '21, released the audit findings in
1473 January of '23.
1474 *Ms. Grimm. We do not comment on ongoing investigative
1475 matters. So I would not --
1476 *Mr. Duncan. So this is still ongoing then?
1477 *Ms. Grimm. We do not comment on ongoing
1478 investigations.
1479 *Mr. Duncan. Okay. Well, I am going to take that as a
1480 yes because you issued your audit findings in January of
1481 2023, but you cannot answer my question. So I am going to
1482 assume it is still going on.

1483 Four months is an extremely short time frame for an OIG
1484 investigation. Why did your office close this investigation
1485 so soon when more and more documents were coming out on
1486 EcoHealth grants?

1487 *Ms. Grimm. Our EcoHealth report reviewed seven years'
1488 worth of documentation, grants, guidance, emails. If we were
1489 to have found something that warranted an investigation, we
1490 would refer that over to our Office of Investigation.

1491 *Mr. Duncan. Okay. But apparently the investigation is
1492 still ongoing because you cannot answer questions about it.
1493 So I am assuming that you found more than seven years' worth.
1494 Would that not be a good assumption?

1495 *Ms. Grimm. Representative, I cannot comment on the
1496 existence --

1497 *Mr. Duncan. Last question on this issue.

1498 *Ms. Grimm. -- of an ongoing investigation, whether it
1499 exists or it does not.

1500 *Mr. Duncan. With respect to this audit of EcoHealth,
1501 is it true that NIH only permitted your audit teams to
1502 review already produced FOIA documents?

1503 *Ms. Grimm. I do not believe that that is accurate.
1504 The access rights for OIGs are incredibly broad. We have

1505 access to materials that are, I believe, beyond what FOIA
1506 would allow.

1507 *Mr. Duncan. What other documents did your team review
1508 as part of that audit?

1509 *Ms. Grimm. For EcoHealth Alliance?

1510 *Mr. Duncan. Yes.

1511 *Ms. Grimm. We reviewed seven years' worth of grants
1512 information for EcoHealth grants. We reviewed three grants.
1513 One of those was for the Wuhan Institute of Virology. We
1514 reviewed all grants guidance. We reviewed emails,
1515 correspondence --

1516 *Mr. Duncan. So there was a grant directly to Wuhan
1517 Institute of Virology?

1518 *Ms. Grimm. Not from NIH. They were a sub-award of
1519 EcoHealth.

1520 *Mr. Duncan. Okay. Mr. Chairman, I yield back.

1521 *Mr. Griffith. I thank the gentleman.

1522 I now recognize Mrs. Lesko of Arizona for her five
1523 minutes of questioning.

1524 *Mrs. Lesko. Thank you very much, Mr. Chairman.

1525 And thank you for your work. It is so important that we
1526 identify fraud and waste and U.S. taxpayer dollars being

1527 spent. So thank you and your staff.

1528 I am from a border State, Arizona, and I am on the
1529 Border Security Caucus here in Congress. I have visited the
1530 border multiple times. In my visits and in speaking to
1531 Border Patrol officers and local Arizona elected officials
1532 along the border, they have told me there is no vetting of
1533 the adults where immigrant children are being sent, and that
1534 girls are being placed in homes where they are sold into sex
1535 slavery.

1536 This is horrifying. This is horrifying if we are
1537 letting this happen.

1538 There was a memorandum of agreement put in place in 2018
1539 between Department of Homeland Security and HHS that agreed
1540 to have a process for vetting who unaccompanied migrant
1541 children would be released to.

1542 I have been told that HHS and DHS changed the MOA after
1543 the Biden Administration took over in 2021 and it removed the
1544 vetting requirement.

1545 In addition, according to reports, ORR does not have the
1546 ability to track released children and, I quote, "could not
1547 reach more than 85,000 children one month after they were
1548 placed with an adult.''

1549 This is alarming. I mean really alarming what we are
1550 allowing to happen to young children.

1551 First question is are you familiar with this change in
1552 the memorandum of agreement between DHS and HHS?

1553 *Ms. Grimm. Vice Chair Lesko, I appreciate your
1554 question. We have made recommendations for better MOUs
1555 between DHS and with DOJ. I am not familiar with that A,
1556 that specific change. We are happy to take a look at that
1557 and get back to you.

1558 *Mrs. Lesko. My next question is how are sponsors
1559 vetted now.

1560 *Ms. Grimm. That is a great question, Vice Chair Lesko.
1561 I do not have at my fingertips the exact guidance that is now
1562 being used to vet sponsors. That would be a better question
1563 to ask of ORR.

1564 I can tell you though that our report looking at vetting
1565 of sponsors will illuminate hopefully what risks exist in
1566 placing children with sponsors and what risk exists with the
1567 current processes being used to vet sponsors.

1568 Our reports have consistently recommended rigorous
1569 vetting of sponsors.

1570 *Mrs. Lesko. Well, I hope somebody listens to your

1571 recommendations because this is truly alarming. It is truly
1572 alarming if the United States of America is allowing girls to
1573 be sold into sex slavery and not vetting who we are sending
1574 these people to.

1575 So thank you for your investigation on that.

1576 I have a question changing subjects a bit. The HHS
1577 Health Resources and Service Administration manages the
1578 Countermeasures, Injury, Compensation Program called CICP.
1579 It is charged with compensating those injured by the COVID-19
1580 vaccinations.

1581 Very few cases, however, have been approved for
1582 compensation, and many cases have been sitting for a couple
1583 of years now.

1584 Has your office looked into the operation and efficiency
1585 of this program?

1586 *Ms. Grimm. Representative Lesko, we do have work that
1587 looks at the Provider Relief Fund and the uninsured funds.
1588 Both are programs that are administered by HRSA.

1589 We have work looking across many different audits that
1590 are touching about 50 percent of payments that have gone out
1591 from HRSA.

1592 Accuracy of payments in many instances would look at

1593 whether or not they were appropriately approved or
1594 appropriately denied.

1595 I am not familiar with this specific type of claim. Let
1596 us look at what our ongoing work is looking at, and we will
1597 get back to you to see if this is touched on.

1598 *Mrs. Lesko. Thank you very much.

1599 My time has expired, and I yield back.

1600 *Mr. Griffith. I thank the gentlelady for yielding
1601 back.

1602 I now recognize Ms. Cammack of Florida for her five
1603 minutes of questioning.

1604 *Ms. Cammack. Thank you, Mr. Chairman. I appreciate
1605 it.

1606 Thank you for being here today.

1607 One of the top implemented recommendations in the OIG's
1608 2022 report was ACF and HHS should improve their operational
1609 management and communications systems to better address the
1610 safety and security needs of unaccompanied children.

1611 Has the ACF and HHS implemented this recommendation yet?

1612 *Ms. Grimm. Thank you for your question, Representative
1613 Cammack.

1614 We are in receipt. We just got it yesterday of ACF's

1615 response to our recommendations. I believe that's included
1616 in there.

1617 We are reviewing their response. We need to look at
1618 documentation. We consider it open until we have a chance to
1619 review it, but it looks like what they are providing, if they
1620 can substantiate it, we would clear that recommendation.

1621 *Ms. Cammack. So no.

1622 *Ms. Grimm. Open right now. It is open right now.

1623 *Ms. Cammack. Okay. So I think collectively, all of us
1624 in this room, we find this failure, the no, the
1625 implementation of the recommendation frustrating. I am not
1626 quite sure why something like this has not been implemented,
1627 but it is good to know that HHS acknowledges that this is a
1628 problem, especially given the fact that ORR's unaccompanied
1629 minor program has received record funding for the past couple
1630 of years.

1631 Your 2022 report on the top unimplemented challenges
1632 notes that ORR is working on a, quote, "emergency policy
1633 development protocol that provides input from staff with
1634 expertise in child welfare whenever ORR develops and
1635 reevaluates existing policies and field guidance."

1636 Do you know when this protocol came into effect?

1637 And was this protocol in effect at Fort Bliss and other
1638 emergency intake sites?

1639 *Ms. Grimm. I do not know whether it was in place at
1640 emergency intake sites, but it was something that we
1641 recommended. It is something that ACF agreed with. It is
1642 something that they are claiming that they have addressed,
1643 and we are reviewing documentation.

1644 *Ms. Cammack. Would you provide feedback to the
1645 committee on getting an answer on this, whether it was or
1646 not, because you said you are not sure?

1647 *Ms. Grimm. Well, we need to get their paperwork and
1648 review it, and we will get back to you on whether or not we
1649 are considering it closed.

1650 *Ms. Cammack. Okay. So looking at the annual report,
1651 reading between the lines of the annual report, it appears
1652 that your office thinks that this protocol is inadequate.
1653 Can you explain why the protocol did not close out the
1654 recommendation?

1655 *Ms. Grimm. So throughout the course of our ORR work,
1656 we have found challenges with horizontal and lateral
1657 communication. By that I mean communication across other
1658 departments with DHS, with DOJ.

1659 We found problems with there being lateral communication
1660 within ORR so that concerns that are raised by field
1661 specialists, for instance, are not being listened to by those
1662 higher up.

1663 So there are a number of things that ACF can do to
1664 address this, but it has not been addressed to our
1665 satisfaction.

1666 We find that this is a continuing issues across
1667 different administrations where somebody in the field knows
1668 that census is going up. They do not have that. They are
1669 concerned about mental health issues. They are raising
1670 concerns --

1671 *Ms. Cammack. I understand.

1672 I'm going to shift gears here because my time is running
1673 out. In the January 2023 HHS OIG report documenting how the
1674 NIH and EcoHealth Alliance failed to supervise the use of
1675 taxpayer funds at the Wuhan Institute of Virology; further,
1676 the Wuhan Lab refused to provide lab notebooks and electronic
1677 files of a key experiment to EcoHealth.

1678 The NIH terminated the Wuhan Institute of Virology as a
1679 subgrantee then at that point. The OIG report concluded that
1680 NIH should, quote, "consider whether it is appropriate to

1681 refer WIV,' ' Wuhan Institute of Virology, "to HHS for
1682 debarment.' '

1683 The HHS OIG could refer the Wuhan Institute for
1684 debarment. That is correct?

1685 *Ms. Grimm. That is what we are doing in the report.
1686 We are recommending that they consider whether or not they
1687 should be suspended or debarred.

1688 We do not have that authority. We make referrals over
1689 to the department.

1690 I will mention we have reports in this area about
1691 suspension and debarment, too.

1692 *Ms. Cammack. And thank you for that quick answer.

1693 So then with that, has your office followed up to see if
1694 NIH will refer the Wuhan Institute of Virology to HHS for
1695 debarment?

1696 *Ms. Grimm. Their response is not due until July on
1697 that report. It is my understanding that they are
1698 considering suspension, debarment.

1699 *Ms. Cammack. Thank you.

1700 My time has expired. Mr. Chairman, thank you.

1701 *Mr. Griffith. The gentlelady yields back.

1702 I now recognize the gentleman from Texas, Mr. Crenshaw,

1703 for five minutes of questioning.

1704 *Mr. Crenshaw. Thank you, Mr. Chairman.

1705 Thanks for being here.

1706 One of my big concerns is, you know, is if the excessive
1707 and increased funding that we are giving HHS is being spent
1708 wisely. There are a couple of areas I want to focus on.

1709 One is the FDA. Approval time for new cancer treatments
1710 is remarkably long, an average of seven to 12 years.

1711 HHS' handling of refugee settlement, that is another
1712 problem I want to talk about.

1713 Some of these NIH grants though, this is a topic near
1714 and dear to me where, you know, we have a major budget
1715 increase for cancer research, but not a clear direction from
1716 the Administration on how we are speeding up approvals of new
1717 cures and therapies.

1718 So do you know what portion of NIH funding goes to
1719 cancer research?

1720 *Ms. Grimm. My understanding is it is \$7.6 billion on
1721 cancer-related research out of NIH.

1722 *Mr. Crenshaw. Yes. And how in the weeds does your
1723 office get in figuring out how that is spent and then
1724 developing metrics for how effective that money is spent?

1725 *Ms. Grimm. We do not have any ongoing, Representative
1726 Crenshaw, work looking at cancer research out of NIH.

1727 *Mr. Crenshaw. Okay. I would urge you to.

1728 I mean, let's look at childhood cancer drugs, for
1729 instance. On average six and a half years longer than the
1730 approval for adult cancer drugs. You know, why?

1731 That would be a great question to ask. If we are going
1732 to increase funding for NIH and FDA, we should know what we
1733 are getting for it.

1734 But the IG does not have any opinion on this, whether we
1735 are using those funds effectively at all?

1736 *Ms. Grimm. We just do not have any ongoing work
1737 looking at it. I would love for my folks to come up and talk
1738 to you about some of your concerns.

1739 We do have work looking at different processes that FDA
1740 has, including the accelerated pathway program, and we had
1741 some findings in that space. But we do not have anything
1742 specific to cancer research.

1743 *Mr. Crenshaw. Okay. So let's talk more broadly. So
1744 findings in that space, could you tell us about that?

1745 *Ms. Grimm. Well, OIG's mission is to ensure that
1746 taxpayer dollars are spent appropriately, and so our work

1747 looking at grants management ensures oversight so that
1748 taxpayer dollars on grants and in the instance you are
1749 citing, grants specific to cancer research --

1750 *Mr. Crenshaw. No, no, I said talk more broadly. You
1751 said you had findings in the space of the accelerated
1752 approval program. What were the findings?

1753 *Ms. Grimm. Oh, I am sorry. So that report looked at
1754 this process where they can approve drugs, but then they can
1755 have confirmatory trials later.

1756 We looked at the extent to which confirmatory trials
1757 were happening. Now, that does not mean that the safety is
1758 compromised, but the confirmatory trials are meant to look at
1759 the efficacy that is promised by the drug.

1760 We did find, I believe, I believe, roughly a third of
1761 those confirmatory trials were late and a handful of
1762 confirmatory trials were late between five and ten years.

1763 So as a general matter, what OIGs do is take a look at
1764 whether there is adherence to requirements. We do not set
1765 policies. I cannot force FDA, CMS, NIH to take the
1766 recommendations we make. We make recommendations, and they
1767 decide to take them or not.

1768 But in that report, we looked at whether they were or

1769 how they were following their rules and the time that it took
1770 for these confirmatory trials to happen.

1771 *Mr. Crenshaw. Yes. There are also many roles
1772 surrounding the extent to which the FDA has to communicate
1773 with its customer, whoever is seeking drug approval. Have
1774 you done an investigation on how effective that communication
1775 is and the quality of communication?

1776 Because that is my number one complaint I hear about.
1777 It is like a black hole. They cannot get answers from the
1778 FDA. They have timelines for their investors for their
1779 products, and they cannot get a single answer from these
1780 people.

1781 Is there any investigation ongoing in that regard?

1782 *Ms. Grimm. We have work looking at approval of drugs
1783 that would include Aduhelm for Alzheimer's, and we are
1784 looking at the extent to which there was communication with
1785 external partners.

1786 Now, in that instance, we would be looking at whether or
1787 not there was inappropriate types of communication. Would it
1788 be appropriate for us to come up and talk to you about some
1789 of your concerns about communication and see --

1790 *Mr. Crenshaw. I'm looking for, you know, their

1791 effective communication, productive communication. That
1792 would seem to fall right in line with handling taxpayer
1793 dollars effectively.

1794 If we are going to pay an agency to approve drugs, it
1795 should actually have an effective process for approving drugs
1796 instead of whatever it is doing now. And your office seems
1797 well positioned to maybe focus on that. I would love to talk
1798 more about it.

1799 And I yield back. Thank you.

1800 *Mr. Griffith. The gentleman yields back.

1801 I now recognize the gentleman from California, Mr. Ruiz,
1802 for his five minutes.

1803 *Mr. Ruiz. Thank you.

1804 Thank you for joining us today, Inspector General Grimm.
1805 I appreciate your office's consistent attention to the
1806 quality of the care that that unaccompanied children receive
1807 in ORR facilities.

1808 I remain deeply concerned about the treatment of
1809 unaccompanied minors who are fleeing dangerous situations and
1810 seeking refuge in the United States. These children are
1811 often forced to flee their homes due to violence, poverty,
1812 and persecution, leaving behind everything that they have

1813 ever known.

1814 I have seen firsthand the conditions these children
1815 arrive in. They arrive at our borders with little more than
1816 the clothes on their backs and are often traumatized by their
1817 experiences and their journey.

1818 It is our responsibility to ensure that these children
1819 are treated humanely and provided with the necessities they
1820 need to survive.

1821 I previously introduced legislation, the Humanitary
1822 Standards for Individuals in Customs and Border Protection
1823 Custody Act that would work to ensure that immigrants to the
1824 United States to seek asylum are met with basic humanitarian
1825 standards, making sure that they have adequate food, water,
1826 sanitary conditions and health screening for survival.

1827 Inspector General Grimm, your office has issued an
1828 extensive report on conditions at one ORR facility, the
1829 emergency intake site at Fort Bliss, where you outlined a
1830 number of necessary improvements.

1831 Could you provide us with an update on whether you have
1832 seen improvements at that facility and other intake sites?

1833 *Ms. Grimm. We provided five recommendations for the
1834 Fort Bliss site. We are in receipt of ORR's response to that

1835 report. We are reviewing documentation to determine if the
1836 recommendations related to securing qualified case managers,
1837 that these case managers get comprehensive training and
1838 support, that emergency policy development protocol to allow
1839 for input from staff with expertise in child welfare, for
1840 usability and search capacities within the UC Portals, and
1841 for ORR employees and contractors and grant recipients to be
1842 informed about whistleblower protections.

1843 *Mr. Ruiz. And has any of that been implemented?

1844 *Ms. Grimm. They are claiming that they have taken
1845 steps to address all of our recommendations.

1846 *Mr. Ruiz. But you have not seen the changes?

1847 *Ms. Grimm. And we are reviewing the documentation. We
1848 just got it, I believe, yesterday.

1849 *Mr. Ruiz. So having examined the Fort Bliss intake
1850 site in such detail, what resources do you think your office
1851 or Congress can provide to ensure that unaccompanied children
1852 are treated humanely while in ORR custody and provided with
1853 the necessary medical services they might need?

1854 *Ms. Grimm. Well, we are -- I am trying to find -- I am
1855 sorry -- our request for resources.

1856 We are falling behind, Representative, in our ability to

1857 keep pace with the growing number of programs at HHS. The
1858 President's budget for fiscal year 2025, if implemented,
1859 would provide OIG with much needed resources.

1860 We have a legislative proposal in there in A19 that
1861 would rebase the Health Care Fraud and Abuse Control Act. We
1862 have a request in for additional resources to provide
1863 oversight for the over 100 programs outside of Medicare and
1864 Medicaid.

1865 We have not kept pace.

1866 *Mr. Ruiz. Okay.

1867 *Ms. Grimm. We have less than two cents for every
1868 \$100 --

1869 *Mr. Ruiz. So clearly, there are more resources that
1870 are needed.

1871 *Ms. Grimm. Yes.

1872 *Mr. Ruiz. Now I want to turn to the importance of post
1873 release service. Children can require a range of post
1874 release services, depending on their individual needs. Many
1875 of these minors have experienced violence, abuse, and neglect
1876 and require specialized care and support to heal from their
1877 trauma.

1878 Recent reports indicated that there is some

1879 inconsistency of services available to children after they
1880 have been placed by ORR with a sponsor.

1881 While I am pleased to see that HHS has committed to the
1882 goal of extending post release services to all children after
1883 release from ORR care within two years, I want to be sure
1884 that ORR has the proper resources, training, equipment, and
1885 staffing they need to meet these children's needs.

1886 Based on OIG's past or ongoing work, could advancing
1887 efforts to provide post release services have a positive
1888 impact on the safety and wellbeing of the unaccompanied
1889 children who have been placed in the care of a sponsor?

1890 *Ms. Grimm. We do not have any ongoing work looking at
1891 post placement services. We do have some ongoing work
1892 looking at transfers across different ORR types of
1893 facilities.

1894 I believe that would include specialized services,
1895 mental health services.

1896 *Mr. Ruiz. Well, HHS has committed to the goal of
1897 extending post release services, post release services to all
1898 children after release from ORR care within two years.

1899 So I think that we should go back and sense what that
1900 commitment is, what is necessary to be productive members of

1901 our society, as there are issues from trauma that can lead
1902 individuals into behaviors that are harmful to themselves and
1903 to others.

1904 And so that is why we need to address the post-traumatic
1905 stress. We need to address the sense of belonging, the sense
1906 of wellness at an early age in order to maximize the wellness
1907 and productivity of those children when they become adults.

1908 Thank you.

1909 And with that, I yield back.

1910 *Mr. Griffith. The gentleman yields back.

1911 And now if the witness will be so kind, we are going to
1912 have some wrap-up questions by both the ranking member and
1913 myself.

1914 And I recognize Ms. Castor for her follow-up questions.

1915 *Ms. Castor. Thank you, Mr. Chair.

1916 And thank you, again, to the Inspector General for being
1917 here.

1918 In your testimony to us, you say on protecting health
1919 care, "Decades of HHS OIG enforcement and oversight proved
1920 the adage that fraudsters follow the money.'"

1921 When looking at a number of the CMS initiatives that are
1922 administered with the States and private insurance companies,

1923 you say program rests in Medicare and Medicaid can have huge
1924 impacts on enrollees and their access to necessary care and
1925 potentially result in improper payments that cost taxpayers
1926 hundreds of millions of dollars.

1927 OIG's oversight of the Medicare Advantage Program is a
1928 key example. Over the past ten years, Medicare Advantage
1929 enrollment has increased significantly, now covers more than
1930 30 million Medicare enrollees, expected to cover 50 percent
1931 of all enrollees soon.

1932 But you say this rapid expansion has put program
1933 integrity and highlighted serious issues with compliance
1934 weaknesses with managed care plans.

1935 Inflated payments to plans. Enrollees with serious
1936 medical conditions that may not receive the needed care, and
1937 this kind of tracks with what I hear as a member of Congress
1938 trying to do constituent service. If they are enrolled in
1939 Medicare Advantage, I do not have as much influence on
1940 rectifying a situation as I do with traditional Medicare.

1941 And you say our work has also raised concerns regarding
1942 improper denials of Medicare covered services.

1943 Our work demonstrates that the risk of fraud, waste, and
1944 abuse in managed care are real and significant. They not

1945 only threaten the financial integrity of Medicare, but also
1946 potentially affect enrollee's health care.

1947 So what ongoing work are you doing now to combat fraud
1948 and abuse in Medicare Advantage? There are a number of
1949 reports out there highlighting these issues as well.

1950 What is the ongoing oversight by the IG?

1951 *Ms. Grimm. Thank you for this question, Ranking Member
1952 Castor.

1953 When I talk about my priorities, there are two issues
1954 that I always highlight, nursing homes, improving the care in
1955 nursing homes and protecting residents in nursing homes and
1956 program integrity in Medicare Advantage.

1957 We have completed a number of reports. You just walked
1958 through a few of them, and we see issues with inflated risk
1959 scores. We have concerns that serious conditions, things
1960 like acute stroke, congestive heart failure, serious mental
1961 conditions that include bipolar disorder, plans that are
1962 getting increased risk score payments and we are not seeing
1963 commensurate services flowing from those diagnoses.

1964 It is serious and real because on the Medicare side, we
1965 are approaching 50 percent of our Medicare population being
1966 served by Medicare Advantage.

1967 Some of the fraud that we see, in some instances
1968 beneficiaries do not even know that they are involved in
1969 Medicare Advantage. We are seeing improper denials of
1970 services, and when we go in and we take a look at those
1971 denials, we are seeing that they would have been paid for on
1972 the Medicare side.

1973 This presents concerns around access because if your
1974 payments are denied, you have to take extra steps, providers
1975 do. Beneficiaries do. It creates friction in the program.

1976 I just spoke at a RISE Conference out in Colorado
1977 Springs about some of our compliance concerns, and we have a
1978 call to action for Medicare Advantage industry to better
1979 policing themselves.

1980 We are encouraging self-disclosure of inappropriate
1981 conduct. We desperately need more resources to get boots on
1982 the ground to take a look at what we are seeing as
1983 concerning, whether or not it is actually fraud, whether
1984 there are conspiracies on the part of plans to take advantage
1985 of loopholes in programs, whether that is, indeed, fraud.

1986 So that is an area if we were to get increased resources
1987 where we would really like to get to ground on whether or not
1988 these concerns actually result in fraud.

1989 *Ms. Castor. And here we have all of the retiring Baby
1990 Boomers retiring. It is stressing Medicare, and we have got
1991 a responsibility. The IG does, HHS does, and the Congress
1992 does to ensure that the dollars are going appropriately to
1993 health care services and not to fraudsters. So I think that
1994 is an area ripe for oversight and investigations as well.

1995 So thank you very much.

1996 *Mr. Griffith. I thank the gentlelady.

1997 So let's clear up a couple of things. First, one that I
1998 do not know the answer to but I ought to, and I have not
1999 heard it mentioned today. When you were talking with Mr.
2000 Ruiz, Dr. Ruiz, earlier and you were talking about post
2001 placement services and that kind of thing, one of the
2002 questions that entered in my mind earlier with other
2003 questions and with Dr. Ruiz is is ORR notifying the local
2004 Department of Social Services that a child has been placed in
2005 their area.

2006 And the reason I ask that is that we see these reports
2007 where kids are not being educated. They are not in school.
2008 They are having to work these long hours. A lot of times
2009 your Department of Social Services will check up on a kid to
2010 see. Okay. We know that Little Johnny arrived here. How

2011 come they did not enter into the West Salem Elementary
2012 School? Why are they not in the middle school? And they can
2013 follow up on that.

2014 Are we doing that? Are we notifying them?

2015 *Ms. Grimm. Chairman Griffith, I do not know the answer
2016 to that question if ORR is notifying local officials.

2017 *Mr. Griffith. Can you find out for me?

2018 *Ms. Grimm. I will look into that, yes.

2019 *Mr. Griffith. All right. You can look into that, and
2020 I will look into that further as well.

2021 Also, I think there may have been some misunderstanding.
2022 When you were talking to Ms. Cammack, you indicated on Wuhan
2023 Institute of Virology that you had recommended the NIH
2024 disbarment or debarment.

2025 *Ms. Grimm. That they consider.

2026 *Mr. Griffith. Right. But do you not have the
2027 authority to go directly to HHS' money folks and recommend to
2028 them as opposed to going through NIH? Go straight to HHS and
2029 say, "We recommend they be debarred."

2030 *Ms. Grimm. We make referrals to the office that
2031 handles suspension and debarment. In fact, we did a report
2032 on that.

2033 *Mr. Griffith. And did you send Wuhan up to them as
2034 well besides making a recommendation to? Did you make a
2035 referral to HHS as well as a recommendation to NIH?

2036 *Ms. Grimm. I do not believe so.

2037 *Mr. Griffith. All right. And so the question that
2038 then comes to me is have you done that with EcoHealth
2039 Alliance?

2040 *Ms. Grimm. In our report, we do not recommend
2041 suspension and debarment.

2042 *Mr. Griffith. Okay. So I have got to ask why because
2043 we know that EcoHealth was delayed on year five. We know
2044 that in year four they delayed reporting in year four
2045 excessive virus growth on their progress report to the NIH.

2046 They violated their contract because they did not get
2047 the information from the Wuhan Institute of Virology, and
2048 look. We will never know now. Because we did not get those
2049 reports, we will never know what they were doing at that
2050 point in history and whether or not something bad was about
2051 to happen inside the lab.

2052 And whether you are a believer that it was a lab leak
2053 that caused COVID-19 or whether you think it was an animal,
2054 that information would be critical in a virus that killed

2055 millions of people around the world to have.

2056 EcoHealth Alliance violated their contract. They were
2057 negligent. They were sloppy, and they did not do their job.
2058 Why in the world would we not debar them?

2059 *Ms. Grimm. Our report does not recommend suspension
2060 and debarment.

2061 *Mr. Griffith. Why? With all of these violations, not
2062 just they did not do one. They did two or three things that
2063 I consider major violations of their contract. So why are we
2064 not debarring them?

2065 *Ms. Grimm. Our auditors that did this work have to
2066 adhere to Yellow Book standards, professional standards.
2067 Their analysis did not, in their view, warrant a recommend --

2068 *Mr. Griffith. Are they lawyers or scientists or do you
2069 have a combination?

2070 *Ms. Grimm. They are auditors, and our work is reviewed
2071 by attorneys.

2072 *Mr. Griffith. Okay. Well, I have just got to tell you
2073 I see this kind of a breach as an attorney. I see this kind
2074 of a breach. I ain't doing business with those people
2075 anymore, and it drives me crazy that we are spending the
2076 American taxpayer dollars with a company; we are currently

2077 spending money with a company that negligently handled the
2078 records related to coronavirus research being done at the
2079 Wuhan Institute of Virology.

2080 And it is a plausible theory. I think it is clear and
2081 convincing evidence that it came out of the lab. I think it
2082 was an accident, but others may have different opinions. It
2083 does not matter.

2084 Either way if we had that information, we would have the
2085 ability to make a better decision on where this virus came
2086 from that killed millions of people in the world, and I do
2087 not understand why we are spending American taxpayer dollars
2088 supporting a company with that kind of a record.

2089 I yield back.

2090 *Ms. Grimm. Chairman, can I --

2091 *Mr. Griffith. Yes, ma'am. I will give you a minute.
2092 I went on a little tirade there. I will give you a minute to
2093 answer.

2094 *Ms. Grimm. Okay. The report points out a number of
2095 issues that the department itself could take action and
2096 suspend and debar EcoHealth Alliance. We do not say they
2097 should not suspend and debar.

2098 We have another report that talks about the suspension

2099 and debarment program that was released a couple of years
2100 ago, and we found a number of opportunities.

2101 The majority of referrals come from us for suspension
2102 and debarment. We do not see referrals from CDC, from NIH,
2103 from ACF, from CMS, other grant-making contractor-giving
2104 officials, and we note that in our report.

2105 The department could make a referral to that entity to
2106 look at whether or not they could be suspended and debarred,
2107 and we do point out in that separate body of work that there
2108 are more opportunities.

2109 We should not be the only ones recommending suspension
2110 and --

2111 *Mr. Griffith. So you think we should expand the
2112 ability to make those recommendations.

2113 And do you think that we should have the ability for HHS
2114 to fine bad actors, to have a monetary penalty when they do
2115 not submit the reports that they are supposed to submit in a
2116 timely manner, particularly when you are dealing with deadly
2117 substances, pathogens?

2118 *Ms. Grimm. Our work does not have any findings on
2119 fines. We do note that 90,000 --

2120 *Mr. Griffith. But you would not be against it if we in

2121 Congress decided we wanted to do that.

2122 Ms. Castor, I went over my time. Do you want another
2123 minute?

2124 *Ms. Castor. No.

2125 *Mr. Griffith. All right. Okay. Thank you very much.

2126 Seeing that there are no further members wishing to ask
2127 questions, I would like to thank our witness again for being
2128 here today.

2129 And pursuant to committee rules, I remind members that
2130 they have ten business days to submit additional questions
2131 for the record, and I ask the witness to submit her response
2132 within ten business days upon receipt of these questions.

2133 And without objection, the committee is adjourned.

2134 Thank you very much, ma'am.

2135 [Whereupon, at 12:20 p.m., the subcommittee was
2136 adjourned.]